

---

By: **Delegates Schisler and Eckardt**

Introduced and read first time: February 7, 2003

Assigned to: Ways and Means

---

A BILL ENTITLED

1 AN ACT concerning

2 **Talbot County - Building Excise Tax**

3 FOR the purpose of authorizing the County Council of Talbot County to fix and  
4 impose, by ordinance, a building excise tax on all types of building construction;  
5 requiring the County Council to specify in the ordinance the types of building  
6 construction subject to the tax, the criteria and formulas used to assess the tax,  
7 and the tax rates; authorizing the County Council to impose different rates of  
8 the building excise tax on different types of building construction subject to the  
9 tax; requiring that the tax rates relate to the development or growth-related  
10 infrastructure needs in the County; requiring the revenues from the building  
11 excise tax be deposited in a special fund; providing that the revenues from the  
12 building excise tax may only be used for certain capital costs of certain public  
13 works, improvements and facilities; requiring the building excise tax be imposed  
14 throughout Talbot County, including within municipal corporations; requiring  
15 the municipal corporations to assist the County in the collection of the building  
16 excise tax within the municipal corporations; requiring the County to adopt a  
17 certain revenue sharing mechanism to apportion an appropriate share of  
18 revenues from the building excise tax to the municipal corporations; and  
19 generally relating to authorizing the County Council of Talbot County to impose  
20 a building excise tax.

21 BY adding to

22 Article 24 - Political Subdivisions

23 Section 9-1001 to be under the new subtitle "Subtitle 10. Building Excise Tax"

24 Annotated Code of Maryland

25 (2001 Replacement Volume and 2002 Supplement)

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
27 MARYLAND, That the Laws of Maryland read as follows:

1 **Article 24 - Political Subdivisions**

2 SUBTITLE 10. BUILDING EXCISE TAX.

3 9-1001.

4 (A) THE COUNTY COUNCIL OF TALBOT COUNTY, BY ORDINANCE, MAY FIX,  
5 IMPOSE, AND PROVIDE FOR THE COLLECTION OF A BUILDING EXCISE TAX ON ANY  
6 BUILDING CONSTRUCTION WITHIN TALBOT COUNTY.

7 (B) THE COUNTY COUNCIL SHALL SPECIFY IN THE ORDINANCE THE:

8 (1) TYPES OF BUILDING CONSTRUCTION SUBJECT TO THE BUILDING  
9 EXCISE TAX;

10 (2) CRITERIA AND FORMULAS USED TO ASSESS THE TAX; AND

11 (3) TAX RATES.

12 (C) (1) THE COUNTY COUNCIL MAY IMPOSE DIFFERENT RATES OF THE  
13 BUILDING EXCISE TAX ON DIFFERENT TYPES OF BUILDING CONSTRUCTION SUBJECT  
14 TO THE BUILDING EXCISE TAX.

15 (2) THE TAX RATES SHALL RELATE TO THE DEVELOPMENT OR  
16 GROWTH-RELATED INFRASTRUCTURE NEEDS IN THE COUNTY.

17 (D) (1) THE REVENUES FROM THE BUILDING EXCISE TAX SHALL BE  
18 DEPOSITED IN A SPECIAL FUND.

19 (2) THE SPECIAL FUND MAY ONLY BE USED FOR THE CAPITAL COSTS OF  
20 ADDITIONAL OR EXPANDED PUBLIC WORKS, IMPROVEMENTS, AND FACILITIES  
21 REQUIRED TO ACCOMMODATE NEW CONSTRUCTION OR DEVELOPMENT INCLUDING:

22 (I) BRIDGES;

23 (II) STREETS AND ROADS;

24 (III) PARKS AND RECREATIONAL FACILITIES;

25 (IV) SCHOOLS; AND

26 (V) STORM DRAINAGE FACILITIES.

27 (E) THE BUILDING EXCISE TAX SHALL BE IMPOSED THROUGHOUT THE  
28 COUNTY, INCLUDING WITHIN MUNICIPAL CORPORATIONS.

29 (F) MUNICIPAL CORPORATIONS SHALL ASSIST THE COUNTY IN THE  
30 COLLECTION OF THE BUILDING EXCISE TAX WITHIN THE MUNICIPAL  
31 CORPORATIONS BY:

32 (1) COLLECTING AND REMITTING THE TAX TO THE COUNTY; OR

1           (2)     REQUIRING THE TAX BE PAID TO THE COUNTY IN ACCORDANCE  
2 WITH THE TERMS OF THE COUNTY ORDINANCE.

3     (G)     THE COUNTY SHALL ADOPT A REVENUE SHARING MECHANISM TO  
4 APPORTION AN APPROPRIATE SHARE OF REVENUES FROM THE BUILDING EXCISE  
5 TAX TO THE MUNICIPAL CORPORATIONS WITHIN THE COUNTY.

6     SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
7 effect July 1, 2003.